

June 29, 2005

National Credit Union Administration
Mary Rupp, Secretary of the Board
1775 Duke Street
Alexandria, VA 22314-3428

RE: Request for Comment: Fidelity Bond Coverage

To Whom It May Concern:

I would like to take this opportunity to comment on the above referenced proposal concerning Fidelity Bond Coverage.

Earning and Net Worth should also be taken into consideration to determine which credit unions would qualify for an increase in the maximum deductible. This would ensure that the credit union can afford higher deductibles.

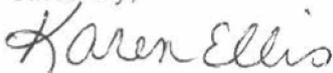
This credit union agrees that contemporary conditions necessitate an increase in required fidelity bond coverage for both smaller and larger credit unions. The expansion of types of services, size of individual member balances, and nature of legal damage awards increase both the risk and the possible size of legal suits.

This credit union doesn't agree that additional factors should be considered when determining whether to raise bond coverage above the required amount, unless there was the probability of "class action suits" that could significantly exceed the maximum bond amount and threaten reserves. The premium for such coverage, if it did exist, would probably not be reasonable or feasible.

~~We agree that Blanket Bond Form 23 is no longer relevant or viable and support the Board's rescission of approval of this bond form.~~

We appreciate the opportunity to comment and request your consideration of these comments.

Sincerely,



Karen Ellis
Security/Compliance Officer